# Corporate Social Responsibility for Sustainability

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## Abstract

**Purpose:** The purpose of this paper is to is to provide insights on implementing corporate social responsibility for sustainability (CSRS) concept and show how it differs from basic corporate social responsibility (CSR).

**Methodology:** The paper discusses major issues with references to existing literature and  real business cases from S&P500 consumer discretionary sector.

**Findings:** The main finding of this paper is that CSRS could provide the company with a competitive advantage as a growing number of consumers become more sustainable conscious. It could also help to overcome the increasing consumers' skepticism towards corporate social responsibility practices. Finally, it can also be seen as a step forward in defining what types of corporate activities are associated with desirable social and environmental gains.

**Research limitations:** Our sample was restricted to the U.S. firms from the consumer discretionary sector. Therefore, conclusions should not be generalized to other markets. Our study is based on the analysis of  environmental and social responsibility statements and assumes that they accurately represent corporate commitment in majority of the cases.

**Practical implications:** CSRS offers corporations the opportunity to use their unique skills, culture, values, resources, and management capabilities to lead social progress by making sustainability part of its internal corporate logic.

**Originality:** The paper raises the importance of the different conditions necessary for making sustainable development concept an important part of corporate strategy.

**Keywords:** corporate sustainability, environmental management, corporate social responsibility, sustainable development

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## | Introduction

Discussion of CSR began in the 1950s after the Supreme Court ruled that companies could participate in philanthropic activities, that is, they could undertake initiatives that directly benefit society (Waddock, 2008). Since that time, corporate social responsibility has been the subject of many conceptualizations in the management literature. According to Howard Bowen, CSR was defined as a "businessman's obligations to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of the society" (1953, p. 6). This first perspective viewed CSR as a social obligation. Allied concepts (Sethi, 1979; Wartick and Cochran, 1985; Sen and Bhattacharya 2001) also linked the responsiveness and performance of a firm to the society in which it operates. Good companies make good products that improve the general standard of living, follow the rule of law and acknowledged values and norms, and play a positive social role by giving back to society. All the above obligations can be grouped into three main categories (Carroll, 1979): economic, legal and ethical, and philanthropic.

In the 1960s product safety emerged as a new standard of corporate responsibility. CSR is mainly seen as a philosophical concept that enables businesses to gain legitimacy among their constituents (Frederick, 1987). By following ethical standards, a company could attempt to systematically favor decisions and procedures that stimulate equality for its various associates; however, this approach is mainly motivated by self-interest (Swanson, 1995). Corporations are largely seen as an instrument for creating wealth, and its social activities are only a tool to achieve economic results.

In the 1970s as companies struggled to cope with inflation and stagnation. As such, efficiency became a main goal and a mark of success. CSR evolved from strictly a philosophical concept to an action-oriented managerial process. Companies established numerous internal boundary-spanning functions, such as community–employee and shareholder relations, (Preston and Post, 1975). Several authors have depicted CSR in terms of concrete organizational processes connected with responsiveness. Monitoring environmental conditions, attending to stakeholder demands, and designing policies aimed at enhancing the firm's positive impacts were the most important activities in corporate social responsiveness area (Ackerman, 1975; Wood, 1991).

In the 1980s, under increasing pressure from global competition, business leaders focused increasingly on creating shareholder value and ethical behavior. In 1983, Fortune published its first list of "America's Most Admired Companies." Numerous ratings and ranking systems related to business in society have been published since then. Business ethics began to dominate much of the CSR discussion. Several anticorruption codes were developed following defense industry scandals and the junk-bond crisis (Frederick, 1987, 2006). Scholars correspondingly advocated an ethics-driven view of CSR (Donaldson and Dunfee, 1994).

CSR can be seen as a mainstream concept in the business world since the early 1990s. The public's increasing awareness of negative externalities in "business as usual" and environmental

damages, fueled by the global communications capabilities of the Internet and related technologies have pushed multinational corporations (MNCs) to take a closer look at their activities and supply chains. Consequently, a new surge of interest has emerged in corporate social responsibility from business sector. Numerous scholars have contended that the notion of social obligation is too broad to facilitate managing CSR effectively. They have argued that businesses are not responsible to society as a whole but only to those who directly or indirectly affect or are affected by the firm's activities, that is, stakeholders. All stakeholders (e.g., consumers, employees, governments, shareowners, local communities, and non-governmental organizations [NGOs]) have equal interests and equal claims in the company's outputs and resources (Carroll, 1974; Freeman, 1984; Clarkson, 1995; Henriques and Sadorsky 1999; van Marrewijk, 2003). Hence, firms should be accountable to all of these stakeholders.

Since the turn of the 21st century, corporations are looking at CSR as a way to mitigate operational risk, cut costs of capital, boost revenue, and sustain competitive advantage (McWilliams and Siegel, 2001; Martin, 2002; Vogel, 2005). More and more companies have redefined their missions to include creating social value parallel to economic value (Altman and Vidaver-Cohen, 2000; Berger, Cunningham, and Drumwright, 2007).

The CSR field presents not only a landscape of theories but also a proliferation of approaches that are controversial, complex, and unclear (Garriga and Melé, 2004). Given the variety of viewpoints outlined above, it is evident that no single conceptualization of CSR has dominated past research. Indeed, the literature still does not include an universal definition of this concept. Comparing and integrating past definitions is especially difficult because scholars have considered the social responsibilities of different conceptual entities (Maignan and Ferrell, 2004). So, despite all the activities in the CSR area in recent years, business is increasingly seen as a major cause of the world's current social, environmental, and economic problems. Companies are widely perceived to be prospering at the expense of the broader community. Unfortunately a big part of the problem lies with companies themselves. They tend to combine positive actions in some dimensions of their business with irresponsible behavior in other areas far too often. It is even more disappointing that this paradox is also characteristic for some companies that are commended for being at the forefront of social responsibility.

## | Corporate Social Responsibility and its Limits in the Context of Sustainability

Scholars and practitioners often treat corporate social responsibility and addressing business sustainability concerns as being nearly synonymous. This is a common misunderstanding–these two areas of activities are often separated. CSR generally refers to a collection of a company's policies and practices linked to relationships with key stakeholders, values, complying with legal requirements, and respect the people and communities and  environments in which they

live. Being socially responsible means operating in a way that contributes to some of the wider societal good, which requires, in certain situations, engagement in activities beyond immediate financial interests of the firm and the mandatory obligations set by the legislation (Wanderley et al., 2008; Halme, Roome and Dobers, 2009). Thus, CSR is generally limited to social and some environmental aspects of business activities, meaning that CSR commitment contributes only partly to sustainable development. Addressing business sustainability concerns means dealing with questions of integrating economic, ecological, and social issues to realize a business case. All the above areas must be integrated systematically over the long term.

A wide range of activities are connected to being a socially responsible corporation. It spans issues from creating good working conditions, to volunteering in the local community and from eliminating racial discrimination, to building wells in Sudan. The main condition to classify such activities under the CSR umbrella is that they must exceed minimum legal requirements imposed by national and local governments. This means that the nature of the socially responsible corporation is voluntary and discretionary. This demonstrates the first limit of the CSR concept in the context of sustainability: sustainable business development does not come about of its own accord by simply implementing CSR policies.

Basic CSR activities are rarely integrated into a core business strategy and decision-making process that is relevant throughout the company. They are not aligned with companies' core competencies, which implies a rather short-term perspective of corporate social responsibility. Indeed, we see an ad-hoc approach to social responsibility much too often. Firms do not select the aspects of CSR that truly intersect with their particular business, making CSR efforts rather ineffective.

Some companies use CSR activities only as a onetime occasion to create a positive picture of their brands and boost short-term stock market performance, while ignoring broader influences and needs of a long-term perspective. Such firms define corporate citizenship based on narrow business interests and serve to curtail the interests of external stakeholders (Banerjee, 2008). As a result, this creates turmoil and does not contribute to sustainable business development. It sometimes even causes more losses than benefits to society and the natural environment.

Yet, no clear perception exists for what a corporation is responsible. This makes corporate social irresponsibility (CSI) much easier. Dishonest commitment to corporate citizenship connected with weak commercial competence can go unseen by many consumers, because it is often hidden under suitable communication strategies about other CSR activities. Furthermore, regulators do not enforce complying with environmental, social, and health (ESH) issues efficiently. Although laws and regulations in this area are harmonizing and increasingly global in scope, long-tail liability and trans-boundary impacts are not solved in an appropriate way.

## | Corporate Social Responsibility for Sustainability: Theoretical Framework

The concept of sustainability was initially launched as an environmental idea focused on conserving resources. Today, sustainability has become a milestone for the entire business community. According to a recent survey, 93% of CEOs see sustainability as important or very important to their company's future success; 96% believe that sustainability issues should be fully integrated into the company's strategy and operations; and 73% see this as a way of strengthening their brand, trust, reputation, and financial performance (Spell out [UNGC], 2010). The number of companies and industries are declining rapidly that can still afford to ignore changing external social conditions, the pressure to manage natural resources, and rising expectations to implement long-term financial policies.

Sustainable business development does not develop of its own accord. Rather, commitment to sustainability demands that corporate processes be controlled reliably and that everyone's actions – in finance as much as in environmental and social areas – be coordinated. Each company must be able to select those aspects of the ongoing *sustainable wave* that intersect with its particular business. All movement in that area should be undertaken carefully and present an opportunity to create shared value and substantial benefits for a business in a given time period.

Pursuing a sustainable development strategy will require a firm to expend both substantial investment and launch a concerted, long-term effort to leverage proactive environmental, financial, and social strategies. Hart (1995) introduced a conceptual framework composed of three interconnected environmental strategies: pollution prevention, product stewardship, and sustainable development. A pollution-prevention strategy seeks to reduce emissions using continuous-improvement methods focused on well-defined environmental objectives rather than relying on expensive capital investments. Product stewardship means that a firm takes an environmentally proactive stance toward raw material and component suppliers, which is aimed at minimizing the environmental impact of the entire supplier system. This implies an organizational ability not only to coordinate functional groups within the firm, but also integrate the perspectives of key external stakeholders. A sustainable development strategy is fostered through a strong sense of social-environmental purpose, which provides the backdrop for the firm's corporate and competitive strategies. A firm's pursuit of sustainability thus implies working over an extended period to develop and deploy low-impact technologies and competences. In their survey of corporate environmental management programs, Hunt and Auster (1990) described the proactivist as a most advanced stage of environmental strategy development. At this stage, environmental issues in a given company extend beyond legal requirements and prevention. Employees are well trained, the company's goals clear, and systems that facilitate reaching those goals are built into each area of activity. There is also a strong link between the environmental function and upper-level management through direct reporting relationships. Buysse and Verbeke (2003) demonstrated that shifts from a reactive approach toward pollution prevention and

then to environmental leadership require allocating substantial resources in multiple domains: investing in green products and manufacturing technologies, in employee skills, in organizational competencies, in formal (routine-based) management systems and procedures, in stakeholder relations, and, finally, in reconfiguring the strategic planning process.

To ensure long-term viability, a corporation must proactively seek out those places where it can make a substantive commitment to the community and engage its stakeholders in authentic discourse, thus committing itself and accepting the possibility of being transformed through such exposure (Saiia and Cyphert, 2003). Thus, proper sustainable development management stresses the equal importance of the social, environmental and economic responsibilities of corporations. It should represent the true contribution of business to the goal of sustainable development (Roome, 2009).

Addressing sustainability issues at the micro level requires a well-defined and measurable concept of corporate social responsibility for sustainability (CSRS). The CSRS concept deals with questions of integrating economic, ecological, and social compliance issues into policies, systems, and reporting. This advanced concept determines how to integrate all of the above-noted areas systematically. It truly contributes to all aspects of sustainable development.

Corporate social responsibility for sustainability can be defined as a business unit's voluntary decision to pursue those policies, to implement those systems, to account for and report on these areas of activities, and to follow lines of action that are consistent with the overall idea of sustainable development. It assumes that the firm's long-term health depends on a combination of properly managing all major areas of its activities (e.g., financial, social and environmental) simultaneously. It also requires a rigorous process that is reapplied regularly. Prerequisites for establishing this include binding guidelines, unambiguous corporate goals, and a clear organizational structure.

Corporate social responsibility for sustainability should supersede basic CSR in guiding how companies operate within their communities. Basic CSR focuses mostly on ad-hoc, short-term oriented, single-dimensional actions that are usually separated from the company's core business strategy. CSRS, in contrast, is integral to a company's competitive strategy. It includes cyclical, long-term, multidimensional actions that leverage the company's unique resources and expertise and promote a code of compliance throughout the entire management system and stakeholder dialogue (see Table 1).

CSRS not only ensures that the CSR portfolio embeds multiple types of long-term, cyclical activities, but also strengthens the cohesiveness of such efforts. To enact commitment to CSRS, businesses must also embrace a solid set of principles and processes that can help systematically address stakeholder demands and secure stakeholder support.

**Table 1 | Differences between corporate social responsibility and corporate social responsibility for sustainability**

| Basic CSR | Advanced CSRS |
|---|---|
| Voluntary and discretional (Focused on compliance with existing laws and regulations) | Voluntary and discretional (Focused on exceeding existing laws and regulations) |
| Ad-hoc | Cyclical |
| Short-term oriented | Long-term oriented |
| Separate from business strategy and operations (philanthropic issue, in response to external events, not connected to core business objectives) | Integral to business strategy and operations |
| Single dimension | Multidimensional |
| Limited education or training of employees on social- and eco-issues | Comprehensive programs to engage and build capacity of employees |
| No systematic internal and external communication on sustainability issues | Mature system to share tools and lessons learned on sustainability across and outside the company |
| Generally refers to avoid bad behavior (negative screening) | Solve eco-, social- and financial problems within competitive advantage and brand building (Value seeking activities with positive impetus for change) |
| Limited understanding of external stakeholders' priorities (no partnerships in place) | Actively solicits external opinion and expertise (strategic partnership in place) |
| No company-wide system to track sustainable challenges and opportunities | Comprehensive, ongoing assessment of environmental, social and financial priorities, risks and value chain impacts |
| No environmental footprint or performance report | Regular formal environmental reporting |

## | CSRS methodology

Corporate social responsibility for sustainability is a key to a company's growth and innovation. Making a business sustainable benefits consumers who expect products and experiences with low environmental impact. Workers are more satisfied, more committed, and hence more productive at organizations that resonate with the employees' ethics and values. Sustainability leadership combined with comprehensive programs that engage and build the capacity of employees, the long-term thinking of the firm as a social institution, and a concern for public issues beyond the boundaries of the company positively affects the bottom line (Willard, 2002).

Sustainability must be understood not as an endpoint but as ongoing process. Every company needs to update its impact analysis regularly and rethink the risks and opportunities presented by an evolving set of sustainability pressures. Doing this must also satisfy consumer expectations for price, quality, and service (Esty, 2011). Corporate social responsibility for sustainability is therefore an integral part of a business strategy and a firm's operations.

The goal of this study is to develop a novel idea of CSRS and present different ways it can be implemented in real business practice using  case study research, which seems to be the most appropriate method when little is known about the phenomenon or the theory is so novel that it does not exist in the literature and is not supported by any empirical evidence (Eisenhardt, 1989; Eisenhardt and Graebner, 2007). This is why we have chosen the case study method to extend theory regarding corporate social responsibility for sustainability.

There is no ideal number of cases when extending theory, however Eisenhardt (1989) pointed out that 4 to 10 cases work best.

The strengths of case study research include generating novel theory, testability, and empirical validation. The chosen method also has some limitations. First, it is very difficult to evaluate generated theory, as there is a lack of guidelines for assessing this type of research. Second, difficulties arise with generalizing the findings (Johnston, Leach and Liu, 1999). The first problem can be overcome when generated theory is novel, testable, and logically coherent; is supported by empirical evidence; and features a careful analytical procedure. The second problem can be resolved by applying theoretical generalization, where logical argumentation that offers a plausible explanation for the relationship between the variables investigated replaces statistical correlation (Hillebrand, Kok and Biemans, 2001).

## |    Sample and Data Description

To select the sample, we began by investigating all companies from a consumer discretionary sector according to Global Industry Classification Standard (GICS) in the S&P 500 index. This consists of 83 companies from five industry groups: Automobiles and Components, Consumer Durables and Apparel, Consumer Services, Media, and Retailing. The GICS is one of the most widely accepted and most commonly used industry classification systems in the world. The S&P 500 index includes 500 leading U.S.-based companies (a few have their headquarters in other countries) operating in the leading industries of the American economy. It captures 75% of U.S. equities. All CSR performance data were retrieved from firms' Web sites.

Using CSRS criteria described in Table 1, we restricted our sample of 83 companies to six firms that demonstrated profound achievements in all specific areas. These companies are: Walt Disney Co., Johnson Controls, McDonald's Corp., NIKE Inc., Target Corp., and Whirlpool Corp. Each of these companies excels in all of the listed areas and does so by making the CSRS criteria an integral part of its internal corporate logic. Their specific activities are presented in Table 2.

Table 2 | Activities of companies with CSRS

| CSRS constituents | Walt Disney Co. | Johnson Controls | McDonald's Corp. | NIKE Inc. | Target Corp. | Whirlpool Corp. |
|---|---|---|---|---|---|---|
| Voluntary and discretional | CSR activities in all major areas focused on exceeding existing laws and regulations | | | | | |
| Cyclical | Dynamic and subject to updates or changes | Regular changes in sustainability goals according to up-to-date data | Goals updated on a regular basis | Targets regularly adjusted or updated | Targets changed on a regular basis | Targets established in the pursuit of continual improvement of EHS performance |
| Long-term oriented | Goals set up to 2020 | Goals set up to 2018 | Goals set up to 2015 | Goals set up to 2020 | Goals set up to 2015 | Goals set up to 2018 |
| Integral to business strategy and operations | Sustainability embedded into all daily decisions and actions | Strategy focused on delivering products, services and solutions that increase energy efficiency | Work at all levels of activities to address balance and choice to promoting the use of sustainable sourcing. | Sustainable growth as a long-term vision to deliver profitable growth | Sustainability integrated throughout business - from stores building to products design | Assessment of environmental impacts of every stage of a product's production, use and disposal. |
| Multidimensional | Environmental footprint, respectful workplaces, strategic philanthropy, safe products, citizenship, human rights | Growth in economic prosperity, social responsibility, and environmental leadership | Action in five areas: nutrition and well-being, sustainable supply chain, environmental responsibility, employee experience and community | Action through the materials design, the process of making those materials and products, and in the world of sport where products are used | Education, healthy living, safe communities, environmental sustainability | Improvement of the environmental performance of facilities, transportation and responsible usage of natural resources |
| Comprehensive programs to engage and build capacity of employees | Mentor forums to accelerate and leverage contemporary workplace practices | Wide range of employee and leadership development programs that focus on sustainability | Global Employee Value Proposition | Sustainable Manufacturing Training | Global and Responsible Leadership, Teaching and Mentoring | Whirlpool University, Leadership Development, Global Operational Competencies, Functional Skills Trainings |
| Mature system to share tools and lessons learned on sustainability across and outside the company | Disney Green Teams, Disney's Planet Challenge | Energy Efficiency Forum, Clinton Global Initiative | Global Best of Green website, Farm to Front Counter, Sustainable Land Management Commitment | Materials Analysis Tool, Environmental Apparel Design Tool | Target Compliance and Production Services, Health and Employment Forum | Whirlpool University |

Table 2 cont. | **Activities of companies with CSRS**

| CSRS constituents | Walt Disney Co. | Johnson Controls | McDonald's Corp. | NIKE Inc. | Target Corp. | Whirlpool Corp. |
|---|---|---|---|---|---|---|
| Solve sustainability problems within competitive advantage and brand building | Sustainability seen as a tool to gain competitive advantage | Wide range of offered sustainability solutions | Sustainable Packaging and Waste Management, Energy Conservation, Green Restaurant Design | Sustainability systematically considered using a balanced scorecard approach, sustainable manufacturing embedded in product creation | Responsible Recycling Standards, Smart Transportation, Carbon Footprint Reduction, Waste Reduction Program | Building smart grid and smart appliances for consumer energy savings. Development of smart grid-enabled appliances. |
| Actively solicits external opinion and expertise | Ceres stakeholder group | Active dialogue with stakeholders | NGO Collaborations, Waste Reduction Action Plan, Collaborating for Progress Program | Partnership with CARE, Students Run L.A and Architecture for Humanity, | Partnership with FishWise, GreenChill, Energy Star | Partnership with Habitat for Humanity®, Instituto Consulado da Mulher®, Energy Star, United Way® |
| Comprehensive, ongoing assessment of sustainable priorities, risks and value chain impacts | Disney's International Labor Standards, Disney's Environmental Responsibility Index | Global Purchasing Council, Carbon Disclosure Project, Supplier Sustainability Rating System | McDonald's Environmental Scorecard, McDonald's Energy Bundles | Nike Materials Sustainability Index | Supply Chain Responsibility | Whirlpool Corporation Supplier Code of Conduct |
| Regular formal environmental reporting | GRI report | GRI report, UN Global Impact report | GRI report, UN Global Impact report | GRI report | GRI report | GRI report, |

## | CSRS in Practice: Case Research

All six companies in our sample are characterised by CSR activities focused on exceeding existing laws and regulations. This represents a real step forward in taking on a higher burden. Rather than giving the minimum required, they voluntarily exceed established minimums and do so in a transparent way. Their sustainability goals are adjusted on a regular basis according to up-to-date data and are established for at least the next three years. They continually push new ideas, products, and services forward that not only help them meet bottom-line objectives but also satisfy their mission to solving social, environmental, and economic problems in a way that is consistent with their business.

Sustainable initiatives in companies with CSRS are integral part of their core business. Such companies are using their unique competences, expertise, human capital, and other assets to pay

service to community engagement, environmental protection, and corporate governance. They combine eco-, social-, and financial logic to build enduring success. Walt Disney Corp.'s goal is to achieve exceptional performance by embedding citizenship into all of its daily decisions and actions. Johnson Controls' commitment to sustainability is evidenced by delivering products, services, and solutions that increase energy efficiency. McDonald's, meanwhile, works on all levels of its operations to promote sustainable solutions. Nike's main objective is to create value for shareholders through profitable growth that is decoupled from constrained natural resources. Target Corp. is committed to long-term sustainability by cutting-edge technology, safety-minded store design, and proper team member training. Whirlpool Corp. is determined to making a sustainable difference in everything it does. Its leadership and employees are guiding the course of the company in ways that restore and enhance all forms of capital–human, natural, and financial–to meet consumer needs, generate shareholder value and contribute to the well-being of current and future generations.

Corporate social responsibility for sustainability requires multidimensional actions and a holistic approach. Walt Disney Corp. has developed a framework to minimize its environmental footprint; foster safe, respectful, and inclusive workplaces; use strategic philanthropy; design, manufacture, and operate products with safety as a top priority; support the business through responsible governance practices; and respect and support international principles aimed at protecting and promoting human rights at the same time. Commitment to sustainability spans across all the core activities of Johnson Controls. Such commitment is achieved through resource efficiency, environmental management, sustainable design, and safe and energy-efficient offices and manufacturing facilities. McDonald's strives to make a difference by taking action in five key areas: nutrition and well-being, sustainable supply chain, environmental responsibility, employee experience, and community. The company works at the restaurant level, from reducing the use of energy and other resources to supporting the local community, as well as at the industry and market levels, from evolving their menus to address balance and choice to promoting the use of sustainable sourcing. Nike is focusing its corporate responsibility efforts in areas in which it can have the greatest impact and create the most value: through the materials it designs into its products, through the process of making those materials and products, and in the world of sport where its products are used. Target Corp. is committed to sustainable stewardship by actively monitoring recycling and disposal practices, and adopting cleaner and more fuel-efficient transportation practices and green building codes and certifications. Whirlpool Corp.'s goal is to continually lower the environmental impact of its operations by improving the environmental performance of its facilities, improving products' transportation practices, and using natural resources responsibly.

CSRS requires effective HR practices that promote labor's compliance. This can be achieved only through comprehensive programs that engage and build the capacity of employees, foster their commitment, and participate in active, sustainable problem-solving and team work. At Disney Community Watch, its comprehensive training approach educates employees on their

role at all points in the environmental, social, and economic spectrum. In 2009, the company launched a Wellness Rewards Program. Employees that participate are eligible for financial incentives in return for making healthy choices. Johnson Controls provides a wide range of employee and leadership development programs that focus on building skills that support sustainable activities.  In 2011, more than 64,000 employees have completed training within the company's Learning Management System.  McDonald's global Employee Value Proposition (EVP) continues to be the focus of "people plans" across its markets. In 2011, more than 70 countries in which the company operates began using the Employee Value Index, a measure derived from a crew commitment survey that assessed how well markets are executing around the attributes of the EVP, including friends and family, flexibility, and a sustainable future. The results are than translated into relevant labor training programs. Nike uses its Sustainable Manufacturing Training program, which takes an integrated approach to building capacity for sustainability. Sustainable Manufacturing Training has an expanded focus, including modules on health, safety, and the environment; environmental sustainability; and managing energy and greenhouse gases. Target Corp. implemented two programs, Global and Responsible Leadership and the Teaching and Mentoring program. Both solutions focus on developing leaders and employees who can lead in the global marketplace; individuals who are agile enough to adapt quickly to changing social, environmental, and economic conditions, as well as play a key role in the firm's corporate social responsibility efforts through its community efforts. Whirlpool Corp.'s Global Operational Competencies program is used to execute the company's business strategy. Within this program, Whirlpool University provides training related to sustainable competencies to ensure employees have the knowledge and skills to achieve the company's social, environmental, and economic objectives. Whirlpool University conducted more than 7,000 global operational competencies training sessions in 2010. The above efforts are supported by the Whirlpool Foundation's series of online courses, which are led and designed by senior leaders within the company.

Firms with CSRS voluntarily report on best practices in the area of sustainability in order to pay service to community engagement and environmental protection. Disney recognizes its opportunity to educate and inspire diverse groups of stakeholders to take action for a sustainable future. Its internal Disney Green Teams, which consist of volunteer employees and are active in more than a dozen countries worldwide, educate colleagues, build internal awareness of the firm's environmental goals and standards, and lead environmental events and activities at the local level. The company is also committed to inspiring guests, fans, viewers, and audiences to take action for the environment in their own communities. Disney's Planet Challenge program actively engage children to make a difference, while reinforcing their actions through strategic philanthropy focused on local communities.  Johnson Controls is an active supporter and participant of the Energy Efficiency Forum, which examines how advanced efficiency technologies, energy policies, and consumer education can be integrated and shared among businesses to enhance energy security, improve global competitiveness, and accelerate economic growth. Johnson Controls is also a part of the Clinton Global Initiative,  which is committed to reducing

energy use, creating jobs, and providing significant savings by boosting the market for energy-
-efficient tenant space. McDonald's continues to recognize and share best practices in the area
of sustainability through its Global Best of Green Web site.  These activities are strongly suppor-
ted by the Farm to Front Counter program, which is focused on cooperating with contractors
during each stage of the production process to ensure quality and safety; work toward greater
sustainability; and continuously create opportunities for people and communities. McDonald's
also established the Sustainable Land Management Commitment to ensure that, over time, the
agricultural raw materials used for its food and packaging originate from legal and sustainably
managed land sources. Nike has made several of its scoring tools available to its wider industry
to help improve the sustainability of materials beyond its own value chain. For example, the
company shared its Materials Analysis Tool and the Nike Materials Sustainability Index with the
Sustainable Apparel Coalition. In 2010 Nike made its Environmental Apparel Design Tool pub-
licly available. All of these tools can help any apparel designer quickly make design decisions
that can reduce the environmental impact of its products. Target Corp. shares tools and lessons
learned on sustainability with the broader community through a dedicated Web site. Its main
goal is to empower users to lead a more sustainable lifestyle by providing the information, tools,
and incentives. Whirlpool uses its University to share best practices in the area of sustainability
with the broader community.

Companies with CSRS have a broad array of external relationships and partnerships. They pro-
mote active stakeholder dialogue through strategic cooperation or external advisory boards,
which regularly provide input to the company's operations. They also have a deep understanding
of external stakeholders' expectations and priorities and take them into consideration within the
decision-making process. In the fall of 2010, Disney joined Ceres, a national network of investors,
environmental organizations, and other public interest groups that are work to address citi-
zenship challenges. Johnson Controls actively seeks dialogue with different stakeholders, such
as socially responsible investment groups, the world of academia, key customers, and public
interest groups. The company provides valuable input to these related realms about its progress
in the area of sustainability and ways to improve in a manner that adds value to the company.
November 2010 marked the 20th anniversary of a partnership between McDonald's and the Envi-
ronmental Defense Fund, which resulted in creating a Waste Reduction Action Plan that eventu-
ally eliminated 300 million pounds of packaging waste. Nike established strategic partnerships
with CARE, Students Run L.A., and Architecture for Humanity. In working with CARE, Nike
created Social Change Networks worldwide; working with Students Run L.A., it provided high-
-performance running shoes and organized running events; and collaborating with Architecture
for Humanity mobilized a community of Nike employees to help rebuild schools, sports, and
community centers. Target Corp., through its partnership with FishWise works to improve the
sustainability and financial performance of seafood certified retailers, distributors, and pro-
ducers. The company also joined the Environmental Protection Agency's GreenChill program,
which aims to reduce refrigerant emissions and decrease impact on the environment and Energy
Star, which is focused on the energy efficiency of buildings and products. In more than 11 years

of partnership with Habitat for Humanity, Whirlpool Corp. has donated more than 130,000 ranges and Energy Star certified refrigerators to New Habitat Homes, serving 82,000 families. Since 2002, Whirlpool Latin America's Consul brand has supported the Instituto Consulado da Mulher program in Brazil, which is dedicated to helping low-income women with entrepreneur potential developing opportunities to develop income. Whirlpool is also a member of the United Way Global Corporate Leadership program, which provides expert advice and resources to support corporate involvement and increase companies' capacity to improve lives and strengthen communities worldwide.

Companies with CSRS have a comprehensive, ongoing assessment of environmental, social, and financial priorities, risks, and value chain impacts. They use tools that they design to compare products based on the impacts that accrue at each stage of the production process. Such efforts enable these companies to build ratings of products and services and select those with lower environmental and social impacts. Disney's International Labor Standards (ILS) program evaluates and helps address working conditions in facilities that produce Disney-branded products. The company's targets in the area of product footprint are focused on two areas: sourcing raw materials, especially as it relates to sustainable paper use, and holding manufacturing suppliers to a higher standard of environmental responsibility. In 2011, strategic suppliers of key Disney product lines completed an Environmental Responsibility Index survey, which now serves as a baseline for measuring future improvement. Johnson Controls uses three key strategies that drive its efforts in this area of sustainability: reducing the environmental footprint of its operations, improving in the sustainability of its supply chain, and increasing revenue from environmentally responsible products and services. The company's Global Purchasing Council (GPC) leads efforts to improve sustainability within its supply chain. For example, it works with more than 300,000 direct and indirect suppliers worldwide, expecting them to conduct their operations in a socially and environmentally sustainable manner. Johnson Controls also actively participates in the Carbon Disclosure Project (CDP) aimed at assessing greenhouse gas emissions in supply chains. The company invited more than 140 suppliers to submit data, which provides an understanding of the emissions associated with each supplier. Johnson Controls also uses its own Supplier Sustainability Rating System, a tool that promotes sustainability in its supply chain and helps discover new sustainable opportunities. McDonald's is committed to sourcing all of its food and packaging from sustainable sources through its Environmental Scorecard, which uses metrics to assess the environmental performance of suppliers and provides leverage to improve suppliers' results in sustainability. The company also introduced Energy Bundles, defined as packages of recommended restaurant improvements that combine simple changes such as energy-efficient lighting with newer tools such as occupancy sensors. Working with suppliers, it has made more than 90 pieces of more energy-efficient equipment available for individual restaurants to purchase. All factories that supply Nike's product needs are selected and assessed using the Nike Materials Sustainability Index (MSI). This provides strong incentives for contractors to become more sustainable. MSI scores suppliers on criteria such as the Restricted Substance List (RSL) testing requirements,

Global Recycle Standard, ISO 14001 certification, and certified green buildings. Rating higher on these types of criteria increases a supplier's overall score. Target Corp. implemented its Supply Chain Responsibility program to encourage current and potential business partners to commit to using resources responsibly and minimizing their ecological footprint. Within it the company, it asks providers to disclose what steps they are taking, or planning to take, to lower their environmental and social impacts. Whirlpool Corporation's Supplier Code of Conduct formalizes the key principles under which suppliers to Whirlpool and its global subsidiaries are required to operate. The Code consists of several social and environmental sustainability measurers that weighs cost, delivery, and quality and is the fundamental tool in the company's sourcing strategy. It moves from enforcing minimum compliance standards to defining best practices combined with proper incentives for contract factories, and from monitoring performance against the Supplier Code of Conduct to collaborating with factories to find the best sustainable operating solutions.

CSRS is connected with a company's environmental footprint or performance report. It contributes to reducing a company's ecological burden. Corporate social responsibility for sustainability refers to including environmental management in a firm's operations. This means regularly using absolute as well as normalized (efficiency-gain) environmental metrics, updating it, disclosing major eco-related risks and liabilities, establishing environmental goals, reporting on how goals are achieved, and seeking independent verification in minimizing ecological burden. Using CSRS enables companies to locate activities that are connected with the largest climate emissions and energy use and act accordingly to restore sustainability. All the companies in our sample publish environmental reports on a regular basis that are prepared according to the Global Reporting Initiative (GRI) reporting guidelines. The GRI is an initiative that develops and disseminates globally applicable sustainability reporting tools for organizations to use voluntarily. In addition, Johnson Controls and McDonald's Corp. also participate in the United Nations Global Compact, a strategic policy initiative for businesses that offers a policy framework for developing, implementing, and disclosing sustainability principles and practices related to four core areas: human rights, labor, the environment, and anti-corruption.

## | Conclusions

Increasing pressure on implementing sustainability into core business strategies and business decision making from stakeholders requires considerable change in the area of corporate social responsibility. Basic CSR programs often focus solely on reputation; indeed, they tend to be ad--hoc, short-term, single-dimensional actions and have only a limited connection to sustainability and operational policies. This makes such efforts difficult to justify and maintain in the long term. Rather than merely promoting their socially responsible activities, firms should combine their unique resources and expertise to build sustainable economies by implementing corporate

social responsibility for sustainability (CSRS). The goal of this study was to develop the concept of CSRS and present different ways it has been implemented in real business cases.

CSRS is defined as a business unit's voluntary decision to pursue policies, implement systems, account for and report on areas of activities, and follow lines of action that are consistent with the overall idea of sustainable development. It assumes that the firm's long- term health depends on a combination of properly managing all major areas of its activities (e.g., financial, social, and environmental) simultaneously. Corporate social responsibility for sustainability must be integral to a company's competitive strategy. It includes cyclical, long-term, multidimensional actions that leverage a company's unique resources and expertise and promote a code of compliance throughout the entire management system and stakeholder dialogue.

CSRS offers corporations the opportunity to use their unique skills, culture, values, resources, and management capabilities to lead social progress by making sustainability part of its internal corporate logic. Using defined CSRS criteria, we selected six firms from the consumer discretionary sector listed in the S&P 500 index, which demonstrated profound achievements in all specific areas. These companies are: the Walt Disney Co., Johnson Controls, McDonald's Corp., Nike Inc., Target Corp., and Whirlpool Corp. Each company paid substantial service to community engagement, labor relations, environmental protection, and supply chain accountability, and did so by making such service an integral part of its internal corporate logic. They solve eco-, social- and financial problems within the context of competitive advantage and brand building.

There are several implications of CSRS for managerial choice and organizational practice. Firstly, it improves our understanding of the in-depth societal, environmental and financial aspects of corporate responsibility. Secondly, it is consistent with the core notion of CSR as a bond between business and society. Thirdly, CSRS could provide the company with a competitive advantage as a growing number of consumers become more sustainable conscious. Fourthly, it could also help to overcome the increasing consumers' skepticism towards corporate social responsibility practices. Finally, it can also be seen as a step forward in defining what types of corporate activities are associated with desirable social and environmental gains, which truly contribute to sustainable development concept's practical implementation.

The chosen methodology has some limitations. Our sample was restricted to the U.S. firms from the consumer discretionary sector. Therefore, conclusions should not be generalized to other markets. Our study is based on the analysis of environmental and social responsibility statements and assumes that they accurately represent corporate commitment in majority of the cases, however it is also possible that they are a form of posturing. Assuring the accuracy of corporate responsibility reports stands as a challenge for future research. It would also be fruitful for future research to investigate the relationship between practical implementation of corporate social responsibility for sustainability concept and various aspects of shareholder wealth creation.

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